

*Just the facts on...*

# Pre-need Funeral Contracts

Pre-need funeral contracts offers peace of mind by taking care of funeral arrangements beforehand, but before taking the final plunge do your homework.



## **The rules of pre-need funeral contracts: What funeral providers must say and do**

- The funeral provider must give you an accurate itemized price list of the merchandise and services offered.
- If requested via phone, the funeral provider must provide an accurate itemized price list of the merchandise and services offered.
- The funeral provider must show you a price list and descriptions of the available caskets before showing you the caskets.
- The funeral provider cannot charge you a fee for using a casket purchased from another vendor.
- The funeral provider must tell you if a specific item is required by state law as well as the item's price and the related law.

## **Differences in terms to keep in mind**

*Guaranteed vs. Non-guaranteed:* In a guaranteed price contract the provider (funeral home) agrees to furnish the services, merchandise and facilities described regardless of future price changes, essentially “locking-in” today’s prices. The prices of services and merchandise are subject to increase with a non-guaranteed contract. In a price increase the difference would be owed to the funeral home at the time of death. If there are remaining funds after services and merchandise are provided, the balance would be paid to the beneficiary’s estate.

*Revocable vs. Irrevocable:* The purchaser may choose to make their pre-need contract revocable or irrevocable. Once signed, an irrevocable contract can be changed, but is non-refundable. A revocable contract can be modified as the purchaser wishes and are fully refundable.

## **If you're considering a pre-need funeral contract:**

- Shop Around: Don't settle for the location nearest you.
- Price Comparison: This can be as simple as a few phone calls.
- Itemized List: Make sure you request one in person or via phone.
- View Site: Look at the cemetery plot in person, if possible.
- Total Cost: Find out if a "package" is less expensive than individual items.
- Third Party: Caskets may be less expensive through a third party seller.
- Fine Print: Read the contract carefully.



**This should be a time for you to rest in peace.**

## **Funeral Costs:**

**\$ Service Fees:** These fees are for basic services and overhead.

**\$ Additional Services and Merchandise:** These fees may include but are not limited to viewing and memorial service fees, ground vaults, and transportation fees.

**\$ Cash Advances:** These are fees for products that are purchased from a third party, such as obituaries.

**\$ "Good Faith Estimates":** These are given for products purchased from a third party whose prices regularly fluctuate.

## **Licenses, Fees, & Compliance Reviews:**

Pre-need funeral contract providers must be licensed by SCDCA. Only licensed funeral homes may receive pre-need licenses. Licensed providers must pay \$20 per contract to SCDCA for the assistance of consumer refunds.

SCDCA investigators are required to examine a funeral home's books, records, and accounts at least once every two years. Consumers that have been unfairly or unlawfully dealt with may file a complaint with the Department of Consumer Affairs at any time.

If you have any questions about pre-need funeral contract or feel that you have not be treated fairly contact SCDCA.



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